

State of Alaska FY2010 Governor's Operating Budget

Department of Labor and Workforce Development Disability Determination Component Budget Summary

Component: Disability Determination

Contribution to Department's Mission

This component will contribute to the department's mission by providing efficient adjudication of claims for disability benefits under Title II and Title XVI of the Social Security Act.

Core Services

- Provide medical determinations for persons alleging disability under Title II (Social Security) and Title XVI (Supplemental Security Income) of the Social Security Act.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$5,160,100

Personnel:

Full time	27
Part time	0
Total	27

Key Component Challenges

The Social Security Administration (SSA) and the Disability Determination Services (DDS) have been working to implement a new electronic system that SSA hopes to be used by all state DDS offices. One of the problems with implementing an electronic system has been a backlog of disability determinations at the hearing level. To reduce the backlog of hearings, SSA has implemented the Quick Disability Determination (QDD) process and Compassionate Allowance. The QDD is an automated determination process modeled to quickly and compassionately allow benefits to applicants whose medical conditions are so severe that their conditions obviously meet Social Security standards.

SSA now requires expedited procedures for all military personnel that allege disability after October 1, 2001. DDS procedures include, in part, expedited case processing procedures and additional in-line reviews. These cases are complicated with multiple impairments, thus the most experienced adjudicators are assigned to adjudicate these cases. Due to their complexity, military casualty cases can be time consuming as adjudicators strive to meet expedited procedures.

The DDS has been challenged with significant staff attrition and turnover. During the last year the Chief of Services, as well as an additional 7 staff positions became vacant. The new management team has worked diligently to hire replacements before the end of the federal fiscal year and the probable beginning of congressional continuing resolutions that will prohibit any hiring after October 1, 2008. DDS hiring teams had difficulty recruiting adequate applicants. Also, SSA requires background checks for new employees to determine suitability for positions which further limits qualified applicants. The new management team is working with all staff to develop new skills, cross train and develop leadership capabilities.

Significant Changes in Results to be Delivered in FY2010

The Disability Determination office may struggle meeting year end goals if staff attrition continues to be a factor.

Major Component Accomplishments in 2008

The DDS continued to exceed the national average for receiving electronic medical evidence.

Prior to staff turnover in the spring, the DDS assisted the State of California in processing reconsiderations of disability denials and consistently exceeded national case quality averages.

Statutory and Regulatory Authority

Federal Authority:
PL 74-271

Social Security Act Disability Benefits

Contact Information
<p>Contact: Cheryl Walsh, Director Phone: (907) 465-2814 Fax: (907) 465-2856 E-mail: cheryl.walsh@alaska.gov</p>

**Disability Determination
Component Financial Summary**

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,694.4	2,003.7	2,086.3
72000 Travel	33.2	32.3	32.3
73000 Services	629.9	1,123.3	1,099.0
74000 Commodities	114.2	42.5	42.5
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	1,405.5	1,900.0	1,900.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,877.2	5,101.8	5,160.1
Funding Sources:			
1002 Federal Receipts	3,686.3	4,864.0	4,919.9
1004 General Fund Receipts	1.9	1.9	1.9
1007 Inter-Agency Receipts	189.0	235.9	238.3
Funding Totals	3,877.2	5,101.8	5,160.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	3,686.3	4,864.0	4,919.9
Interagency Receipts	51015	189.0	235.9	238.3
Restricted Total		3,875.3	5,099.9	5,158.2
Total Estimated Revenues		3,875.3	5,099.9	5,158.2

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	1.9	4,864.0	235.9	5,101.8
Adjustments which will continue current level of service:				
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	0.0	55.9	2.4	58.3
FY2010 Governor	1.9	4,919.9	238.3	5,160.1

**Disability Determination
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2009</u> <u>Management</u> <u>Plan</u>	<u>FY2010</u> <u>Governor</u>		
Full-time	27	27	Annual Salaries	1,300,094
Part-time	0	0	COLA	53,208
Nonpermanent	0	0	Premium Pay	26,755
			Annual Benefits	752,953
			<i>Less 2.19% Vacancy Factor</i>	(46,710)
			Lump Sum Premium Pay	0
Totals	27	27	Total Personal Services	2,086,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Admin Asst III	1	0	0	0	1
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	3	0	0	0	3
Chf Vocational Rehab Svcs	1	0	0	0	1
Disability Adjud Assoc I	8	0	0	0	8
Disability Adjud Assoc II	2	0	0	0	2
Disability Adjudicator I	7	0	0	0	7
Disability Adjudicator II	2	0	0	0	2
Disability Hearing Officer	1	0	0	0	1
Totals	27	0	0	0	27